

Minutes of the Special Meeting of the Board of Finance held at 7:00 P.M., on Wednesday, April 28, 2010.

Members Present: First Selectman Freda, Mr. Monico, Mr. Hallahan, Mr. Pieper, Ms. Vissicchio, Mr. Lianos, Mr. Kohlhepp

Also Present: Director of Finance Edward J. Swinkoski

The following materials were either mailed to the members prior to this meeting or distributed at this time.

1. Agenda – April 26, 2010
2. FY 2010-2011 Budget Resolutions

OLD BUSINESS

Mr. Monico said that they met with Ovation on Monday and based on their recommendation it is not cost advantageous for the Town to use the self insured model. He said our exposure is too great for these minimal savings. Our only option for medical coverage is to stay with the 28% increase that Anthem has proposed since they were the only insurance carrier that bid on our medical insurance.

Mr. Hallahan said that if the Town went with the self insurance model, essentially the savings would be generated from the cost of Anthem's profit and overhead. Mr. Monico said no, the Town would still have the exposure. The reason the agents are recommending against it is that while the increase that Anthem has quoted is 28.1% which goes back to December, the current rate would be higher. If this trend continues, the Town's exposure would be greater.

Mr. Freda then said that when he met with representatives of Ovation, they said that self insurance would be cost effective over the long run, but that the deterioration in claims experience since November suggests that the fully insured renewal proposal from Anthem represents the most prudent balance of costs and risk for the Town and the Board of Education. Ovation said the Town should consider the self-insured model for next year. He also said that Ovation will attend the May Board of Finance Meeting and he is trying coordinate with GBAC to attend.

Mr. Freda said that the Town needs to closely monitor the claims history every month and Ovation suggested that the Town form a Health Insurance Committee. Mr. Freda said that based on our claims history and level of reserves and stop-loss coverage, no one recommends self insurance this year. He said that the solution in getting the self-insurance model next year is (1) through educating employees on health awareness which will reduce claims over time and (2) increasing co-pays for all unions. At Mr. Freda's request, Anthem is doing an analysis for the Town on how North Haven stacks up on a co-pay basis, drug basis and employee contribution basis with other municipalities and with the private sector.

Mr. Hallahan then asked Mr. Swinkoski for a breakdown by union including retirees of all the health care plans.

Further discussion followed.

FINALIZE FY 2010-2011 BUDGET

Mr. Monico then moved the following:

RESOLVED: That the Board of Finance recommends a Town Government Budget for FY 2010-2011 in the amount of \$40,274,065.

Seconded by, Ms. Vissicchio.

VOTE:	Freda- Yes	Monico - Yes	Hallahan - No
	Pieper - Yes	Vissicchio - Yes	Lianos - Yes
	Kohlhepp - No		

Mr. Monico then moved the following:

RESOLVED: That the Board of Finance recommends a Board of Education Budget for FY 2010-2011 in the amount of \$44,799,350.

Seconded by, Mr. Hallahan.

VOTE:	Freda- Yes	Monico - Yes	Hallahan - Yes
	Pieper - Yes	Vissicchio - Yes	Lianos - Yes
	Kohlhepp - Yes		

Mr. Monico then moved the following:

RESOLVED: That a Total Budget for FY 2010-2011 in the amount of \$85,073,415. (Town Government \$40,274,065.- Board of Education \$44,799,350.) be presented to the Annual Budget Town Meeting to be held on Monday, May 10, 2010.

Seconded by, Mr. Pieper.

VOTE:	Freda- Yes	Monico - Yes	Hallahan - No
	Pieper - Yes	Vissicchio - Yes	Lianos - Yes
	Kohlhepp - Yes		

Both Mr. Hallahan and Mr. Kohlhepp said that they opposed the Town budget because they wanted the insurance consultant present at this meeting so they could ask questions and felt they did not have enough information on the health insurance issue.

PUBLIC COMMENT

Discussion followed for approximately 20 minutes with residents asking questions and making recommendations.

There being no further business to come before the Board, Mr. Kohlhepp moved to adjourn the meeting at 8:10 PM, seconded by Mr. Lianos.

VOTE:	Freda- Yes	Monico - Yes	Hallahan - Yes
	Pieper - Yes	Vissicchio - Yes	Lianos - Yes
	Kohlhepp - Yes		